



Dean A. Lerner, Director

CMS Issues Memorandums Dealing with Special Focus Facilities, Initial Survey for New Medicare Providers

The federal Centers for Medicare & Medicaid Services (CMS) recently released two Survey & Certification memorandums dealing with Improvements to the National Special Focus Facility (SFF) Program for Nursing Facilities (S&C-08-02) and Initial Surveys for New Medicare Providers (S&C-08-03). Copies of these memorandums are available on the Department's web site at www.dia.iowa.gov/page20.html.

National Special Focus Facility Program

The special focus facility memorandum amends S&C Memorandum 05-13 to improve the national "Special Focus Facility (SFF)" initiative. The SFF is designed to increase the probability that nursing homes which have consistently exhibited serious quality problems will significantly improve their quality of care and safety of residents in the near future. The revisions emphasize:

- **Improved notification** - so that administrators, owners, and boards of directors are all fully apprised of the seriousness of the issue and the imperative for action;
- **Public notice** – to provide a list of nursing homes that have been designated as a SFF and, after one survey, continue to provide poor care. This information will be made available on the Centers for Medicare & Medicaid Services Web site with a link from Nursing Home Compare; and
- **Focus on Quality of Care & Quality of Life Deficiencies** – Life Safety Code deficiencies will not be used in calculations.

Initial Surveys for New Medicare Providers

The initial surveys memorandum reiterates CMS' longstanding policy that makes complaint investigations, recertifications, and other core work for existing Medicare providers a higher priority compared with certification of new Medicare providers. CMS, together with States, seek to maintain effective quality assurance in the Medicare program at the same time that:

- Many new providers are applying to participate in Medicare for the first time; and
- Resources are highly constrained since the President's proposed budget for Survey & Certification (S&C) has not been fully funded for the past three consecutive years.

Appendix A therefore contains revised survey priorities and procedures to ensure that we obtain greater value from each survey dollar expended, and that CMS' priority structure for survey and certification activities are followed faithfully. Providers that have the option of attaining accreditation that conveys deemed Medicare status conducted by a CMS-approved accreditation organization (in lieu of Medicare surveys by CMS or States) are advised that such deemed accreditation is likely to be the fastest route to certification.

While accreditation by an accreditation organization does not suffice to demonstrate compliance with the special requirements for certain hospitals (such as rehabilitation or psychiatric hospitals or IPPS-excluded units) that receive payment outside of the Inpatient Prospective Payment System (IPPS), proper attestation of compliance with IPPS-exclusion requirements (combined with the accreditation) will permit the State and CMS to act expeditiously on the hospital's application.